

Systemic reviews: Refreshed work plan 2025-26

December 2025



Table of contents

Introduction	2
What has changed since June 2025	2
Outcome of the recent work plan refresh consultation	3

Acknowledgement of Country



The Tax Ombudsman acknowledges the Traditional Owners and Custodians of country throughout Australia and acknowledges their continuing connection to land, sea and community. We recognise the continuation of cultural, spiritual and educational practices of Aboriginal and Torres Strait Islander peoples. We pay our respects to the people and their Elders past, present and emerging.

Artwork used with permission from Kayannie Denigan, Luritja artist

Introduction

The role of the Tax Ombudsman is to improve the fairness and integrity of the tax and superannuation administration systems of Australia. As part of fulfilling that role, we conduct reviews of key, systemic issues which are impacting the community or which are not working as Parliament intended. We plan to conduct 4 such reviews each year. In doing so, a workplan of proposed reviews is released twice a year to inform the community and stakeholders of the subject matter for investigation.

Since we announced our work plan in June 2025, it has been necessary to make some adjustments to the topics initially selected, in part due to other emerging priority reviews and to align or avoid duplication with other Government reviews, other reviews or bodies of work that may be undertaken as well as to manage our own approaches.

What has changed since June 2025

Topics	Outcome	Commencement
General interest charge (GIC) remission	In progress	Q2, 2025-26
Own-motion review into systemic issues raised by a specific, long running taxpayer complaint	In progress	Q2, 2025-26
Online Services for Agents	Yet to commence	Q3, 2025-26
Compromised accounts	Deferred	N/A
ATO's engagement with First Nations taxpayers	Yet to commence	Q4, 2025-26
ATO's use of Director Penalty Notices	Added	TBC. Subject to resourcing

Since we announced our work plan in June, we have commenced the review into the ATO's approach to [general interest charge \(GIC\) remissions](#) and taken on board an [own-motion review](#) examining allegations of maladministration by the ATO in its management of a long-running complex complaint.

Both of these reviews are expected to finalise in early 2026.

As resources become available, we will formally commence our review of the ATO's Online Services for Agents platform, a critical digital channel through which registered agents engage with the ATO to support taxpayers. This was raised frequently in our recent review into the ATO's registered agent phone line and service offer to agents, and with the ATO agreeing our recommendations for improved digital channels and services, we consider it good timing to build on that momentum and current insights to take on the review of online services for agents.

At the same time, we have started work to embed culturally informed and appropriate consultation practices in anticipation of the formal commencement of our review into how the ATO engages with First Nations taxpayers. We will be taking time to ensure that we approach this review respectfully to gain broad community input and insights from First Nations individuals, businesses and representative organisations.

We have determined that it is appropriate to remove the review into compromised accounts from the work plan. We recognise that this is an important area and one that the ATO takes seriously, having released new functionalities to lock and unlock accounts via the ATO app.

The Australian National Audit Office has also listed the ATO's Client Identity Support Centre, a key support channel for taxpayers who have had their accounts compromised, in their 2026 workplan for performance audits. This would likely have overlapped with our review, so we have decided to de-prioritise that review for now.

We will continue to monitor developments in this area and consider a review at a later point should that be warranted.

Outcome of the recent work plan refresh consultation

We are grateful for the high level of engagement from the community on the recent consultation. We received written feedback from 16 stakeholders representing tax and legal professional bodies, community organisations, financial counsellors, academics, government agencies and tax practitioners.

Additionally, we also welcomed the direct engagement from stakeholders at various forums, conferences and discussion groups.

New topic added to the work plan, subject to resourcing

We have determined that it is appropriate to add the ATO's use of director penalty notices (DPNs) to our work plan, to be undertaken as and when resources are available.

DPNs are an important tool for the ATO to administer and collect certain company debts directly from directors of the company. However, their use can have significant impacts on individual taxpayers, not all of whom are aware of their personal liabilities as a director. In the 2024-25 financial year, the ATO increased the issue of DPNs by 136% over the prior year as part of its strengthening of its debt collection functions. Our review will examine whether the increased use of DPNs is being managed appropriately by the ATO.

This topic received a high level of stakeholder support, with many noting that it aligns with current whole-of-government work to combat gender-based violence and financial abuse.

This review would also build upon work already undertaken by our office in relation to financial abuse within the tax system, as well as broader programs of work across government including the ATO's implementation of its vulnerability framework.

Topics not added to the work plan

Of the remaining four topics that were consulted, we have determined that for the reasons set out below, they will not be added to the work plan for 2025-26. However, they all remain topics of concern for us and we propose to continue to explore and monitor them outside of our formal review undertakings.

Topic	Reasons
Payday Super readiness	<p>There was some support for this topic.</p> <p>As a priority IT investment for government, there are a number of reviews and assurance functions already undertaken or planned as part of the implementation.</p> <p>A review by our office would be unlikely to add further value to the work being undertaken.</p> <p>We will engage with the ATO and other stakeholders throughout the first half of next year leading to the rollout of Payday Super and will highlight any concerns directly as they emerge.</p>
Opportunities for the use of artificial intelligence	<p>There was limited support for this topic.</p> <p>The ATO is progressing its implementation of recommendations from the ANAO's review of its AI governance.</p> <p>We believe there is merit in deferring this review until a later date, when the ATO's maturity and use of AI will have developed.</p>
The TPB's management serious breach reports	<p>There was support for this topic alongside suggestions that it be deferred pending the outcome of a current body of work to enhance sanctions and registration of agents.</p> <p>We will consider this for review in the 2026-27 work plan.</p>

<p>The ATO's administration of family trust elections</p>	<p>There was strong support for us to undertake this review alongside recognition that many of the underlying concerns related to the legislative framework for family trust elections.</p> <p>We understand that there has been ongoing feedback by tax professionals about the need for policy reform in this area.</p> <p>This is a topic that we propose to examine and engage stakeholders on without undertaking a full systemic review. We continue to welcome stakeholder feedback on the administrative issues or solutions related to family trust distribution tax and will consider it for inclusion in our 2026-27 work plan.</p>
---	--

Other topics raised with us

Stakeholders raised a number of other topics with us for consideration, including some topics that are not within our jurisdiction or those that have previously been the subject of review.

These topics include:

- increasing the GST registration threshold
- post-implementation review of the ATO's vulnerability framework
- the ATO's management of abuse perpetrated by third parties
- disclosure of business tax debts to credit reference bureaus
- various aspects of the ATO's debt collection practices
- the ATO's management of deceased estates
- client-agent linking
- the ATO's support and services for legal practitioners

We appreciate stakeholders bringing their concerns to our attention. Whilst we are not able to include these topics on our current work plan, we will be exploring opportunities to raise these issues for consideration. Some of these opportunities may include on-referral to other review bodies, direct engagement with ATO senior executives or through research papers, roundtables and briefings.

Scope of topics included in the work plan but not yet commenced

Issues review: ATO's Online Services for Agents

Online Services for Agents (**OSfA**) is a secure system provided by the ATO for registered tax and BAS agents. It allows agents to access a range of client information and services, offering real-time visibility and control over client data.

The ATO has been encouraging agents to use self-service platforms like OSfA to streamline processes and reduce reliance on phone support. This push aims to make interactions more efficient and reduce wait times for agents.

However, feedback from recent consultation with the registered agent community has highlighted several issues and concerns with OSfA. Agents have reported inefficiencies and increased administrative burdens. Additionally, agents have reported that they would be more likely to use OSfA if it had the capability to fulfil their key transaction requirements and could do so in a timely way to meet the needs of their clients. These issues have raised questions about the system's effectiveness and usability, including Practice Mail. As such, this review will look into whether OSfA is easy to access, provides a simple and low-cost compliance option, offers transparency to agents, and is getting it right in respect of agents' needs.

This review would examine:

- whether the system's design and functionality meet the needs of agents, addressing reported gaps in capability, lack of visibility of key information, and administrative burdens;
- whether improvements in user interface, response times and experience could increase adoption and satisfaction among agents; and
- whether the current support and training provided to agents are sufficient to help them effectively use OSfA.

Assurance review: ATO's engagement with First Nations taxpayers

All Australians are entitled to services and support that enable them to engage effectively and fairly with the tax system. However, First Nations taxpayers and businesses may face distinct and systemic barriers in doing so, including lower levels of digital access, financial literacy, access to key identity documents and trust in government institutions.

According to the 2021 census, 812,728 people identified as Aboriginal and/or Torres Strait Islander, representing 3.2% of the Australian population. There are 167 indigenous languages used at home by 76,978 Aboriginal and Torres Strait Island people. Over one-third (34%) of the First Nations population live in outer regional or remote areas, where access to government services can be limited.

Given these factors, it is important that the ATO's services and communication strategies are culturally safe, accessible, and aligned with the principles of good administration, such as humanity, empathy and respect, ease of access and clarity of communication.

Stakeholders have highlighted this as an important area of focus, particularly in relation to systemic disadvantage and access to culturally appropriate support. While this topic was not initially included in our draft work plan, we have decided to add it in our final work plan in response to this feedback.

We will work in partnership with Aboriginal and Torres Strait Island led community organisations to support us to engage with the community effectively and in a culturally safe way.

This review would examine:

- the challenges faced by First Nations taxpayers and their representatives in engaging effectively with the tax system;
- how the ATO consults and partners with First Nations communities to inform service design and delivery; and
- whether the ATO's current programs and outreach efforts are appropriately targeted and effective in supporting First Nations taxpayers.

Issues review: ATO's administration of Director Penalty Notices

Director Penalty Notices (**DPNs**) allow the ATO to recover certain company tax debts – GST, PAYGW and superannuation guarantee – from directors of the company personally.

In the 2024-25 financial year, the ATO issued more than 84,000 DPNs to directors of approximately 64,000 companies, a 136% increase over the prior financial year.

Although DPNs are an important tool to ensure that directors who allow their companies to fall into debt are not able to escape liability, their use can also cause serious consequences. This is especially the case where directors have ceased their directorships or been unaware of the liabilities due to personal circumstances, such as illness, which may have prevented their active involvement in the management of the company.

An increasing area of concern is how coerced directorships are being used to perpetrate financial abuse, with DPN liabilities being a further impact on victim-survivors.

Drawing on our body of complaints regarding DPNs as well as stakeholder feedback and the ATO's ongoing work in relation to its vulnerability framework and debt strategy, we will explore how the ATO uses and administers DPNs and any opportunities to improve its approach.

This review would examine:

- the effectiveness of DPNs in protecting the revenue and employees' superannuation entitlements;
- the ATO's case selection process for DPN action and whether it is fair and reasonable;
- the ATO's communications with directors impacted by DPNs
- how the ATO receives and considers defences from directors; and
- how the ATO manages coerced directorships and financial abuse as part of its DPN work.

taxombudsman.gov.au

